



Purchasing Summary

EVENT # 5066	TITLE: PowerEdge Servers R730	COST: \$5,448.50
TYPE OF PROCUREMENT: Contract Modification	ANNUAL CONTRACT <input type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/>	ONE TIME PURCHASE <input type="checkbox"/>

CONTRACT TERM (IF APPLICABLE)
N/A

M/WBE (IF APPLICABLE)
N/A

MATRIX (IF APPLICABLE)
N/A

NOTES

Recommend approval of Contract Modification No. 1 for purchase of five Dell PowerEdge R730 Servers from Zones Inc. in the amount of \$5,448.50. This equipment is needed to move forward with the planned move of the City's Data Center to the Critical Workforce Shelter.

This modification is needed because the cost of the equipment from the manufacturer has increased. When the vendor was notified of the contract award, it notified the City that the pricing of the equipment from Dell had changed since the bid was initially submitted on April 25, 2017. The vendor was unable to honor the original bid price.

Dell is the manufacturer of the equipment and does not sell directly to customers. Dell goes through certified resellers who then sell to customers. Dell's pricing change applies to all certified resellers.

The revised price offered by Zones, Inc. is \$49,536.35, which is an increase of \$5,448.50 over the initial quoted price. With this increase, Zones Inc. is still the lowest responsive bidder. The second lowest responsive bidder submitted pricing of \$70,250.45. The apparent low bidder was not selected because it did not meet specifications for the requested equipment as stated in the invitation to bid.

This contract was approved by Council on June 8, 2017 in the amount of \$44,087.85. The total amount of this contract to date, including this modification, is \$49,536.35.